

Northern Courthouse Road Amendment Transportation Options

Maintenance and construction of Chesterfield County's road system is the responsibility of the Commonwealth of Virginia. Funding from the Virginia Department of Transportation (VDOT) has been inadequate to address existing needs, and the prospects for additional state funding are uncertain at best. Alternate funding sources continue to be investigated to address the shortfall between road needs and available funding. Several options have been considered for supplementing the state road funding. The following options are available to supplement state and local funding but would not be sufficient to address all of the county's needs. Options include, but are not limited to:

- **Use of Cash Proffers for Road Debt Service:** The 2004 General Assembly established local authority to use cash proffer revenues for the repayment of bonds. Discussions with rating agencies indicate unfavorable bond ratings on cash proffer backed debt due to the uncertain long-term reliance on this revenue stream.
- **General Obligation Bonds for Roads:** Voters overwhelmingly approved the issuance of \$40 million in general obligation bonds for roads in the 2004 referendum. No bond projects were in the plan area. Bonds are repaid from locally generated revenues.

Additional referenda on general obligation bonds could be used in the future to fund road improvement projects. However, the county's available debt has been allocated through 2011, and there is no capacity to issue additional debt until that time.

- **Reprioritization of Local Capital Improvement Funding Sources for Road Projects:** The Board of Supervisors annually adopts a Capital Improvement Program (CIP) allocating funding sources to many competing needs such as schools, public safety, human services and general county improvements. Road funding has been primarily considered a state responsibility, and has not kept pace with current needs. A reprioritization in the CIP of available resources could shift funding from these noted areas to road projects, in essence supplementing state funding.
- **Cash Proffers:** In conjunction with residential development, the county has accepted cash proffers for capital improvements since 1990. Since then, approximately \$12.1 million has been collected for roads countywide. Cash Proffer funds for road improvements must be spent in the area of the county where they are generated. Since 1990, approximately \$1.5 million has been raised for road improvements in the area of the county encompassing the *Northern Courthouse Road Plan* area. Approximately \$940,000 of those funds have been spent fixing roads in that area of the county.